

UNITED STATES OF AMERICA

Resolution C __/2008

Communication of quality of service measurement results to member countries

Congress,

Bearing in mind
the work accomplished by the Strategic Planning Group to develop report cards that show the degree to which member countries and postal administrations have achieved the objectives of the Nairobi Postal Strategy,

Taking into account
that a central purpose of these report cards is to indicate, in quantifiable terms, progress made by individual member countries in implementing the Nairobi Postal Strategy, and that the measurements of the quality of service attained by postal administrations of destination in delivering inward letter post and parcel post items are key indicators for this purpose,

Recognizing
that quality of service measurements form, in part, the basis for terminal dues payments for letter post items provided for in the UPU Convention,

Aware
that serious efforts are underway to develop methodologies to link quality of service measurement results and inward land rates for parcels,

Noting
the considerable financial and management resources invested by the Union to develop and deploy systems to measure quality of service,

Convinced
that the publication of measurement results is essential to ensure transparency and produce tangible evidence that the investments made to measure quality of service contribute to the overall improvement in quality,

Instructs

the Council of Administration and the Postal Operations Council to:

- determine the most appropriate manner to publish the results of letter post and parcel post quality of service measurements attained by individual postal administrations of destination in accordance the provisions of the UPU Convention, and
- decide whether these results should be published in the annual report cards on implementation of the Nairobi Postal Strategy.

Reasons. – Following the Bucharest Congress, the Strategic Planning Group developed annual report cards that show the degree to which individual member countries and postal administrations have attained the goals of the Bucharest Postal Strategy. Arguably the most important of these goals was the attainment of a high level of quality of service. Among other indicators, the report cards focus on the performance of postal administrations of destination in delivering inward letter post items and on the application of bar-coded item identifiers on parcels.

By far the most important objective in the Nairobi Postal Strategy, based on replies to a survey sent to all UPU member countries in late 2007, is “enhancing quality of service and efficiency of the postal network”. To enhance or improve quality, it is first necessary to know the current level of performance. To the extent that figures or quantifiable data showing the quality of service performance of postal administrations are available, they should be published so that the efforts to measure quality of service produce tangible improvements in quality.

[Amendment to Congress proposal 03]

UNITED STATES OF AMERICA

Resolution

International law in the field of trade in services. WTO-UPU relations

Congress,

Conscious

of the influence that developments in the World Trade Organization will continue to have on postal policy making within the UPU and at the national level,

Aware

of the fact that /.../ certain rules in the field of trade in services within the WTO may already apply to postal services in so far as such services are not provided in the exercise of governmental authority as laid down in article I.3 of the General Agreement on Trade in Services (GATS),

Noting

that services negotiations under the Doha Development Agenda have incorporated discussions on new rules /.../ that could relate to postal services, and that the outcome of such discussions may be reflected in the final text of the agreement,

Acknowledging

that cooperation between the UPU and the WTO /.../ is beneficial to ensure coherence between their activities, /.../ and that, to this end, the UPU became an ad hoc observer of the WTO Council for Trade in Services (CTS) in April 2006,

Convinced

- of the need for the Union to inform its member countries of the implications of World Trade Organization agreements on the postal sector, both at national and international levels;
- of the benefit of harmonizing the interests of the postal sector with applicable rules of other international organizations,

/.../

Instructs

the Council of Administration, in conjunction with the International Bureau and in the context of the UPU's ad hoc observer status in the CTS, to:

- monitor developments in the WTO service negotiations under the Doha Round relating to /.../ postal services and keep Union members informed of developments in this field;
- provide information, as appropriate, to UPU members concerning /.../ compatibility between the rules of the Union and those of the World Trade Organization.

Reasons. – This proposal puts forward amendments of a technical nature aimed at clarifying the content of the Congress proposal 03. The amendments clarify that the

primary objective of the WTO Issues Project Group was to inform UPU members on developments in the WTO services negotiations and on WTO rules. The amendments also clarify the relationship between the WTO and UPU through the recognition of the UPU's status as ad hoc observer of the WTO Council for Trade in Services. The intent of this proposal is to build upon Bucharest Congress Resolution C 70/2004 and continue the work of the WTO Issues Project Group under the Council of Administration.

Proposal 3

Proposal of a general nature

UNITED STATES OF AMERICA

Resolution C __/2008

Survey on quality of service programs

Congress,

Bearing in mind
that the International Bureau, through its Quality of Service Unit, serves as a key resource for postal administrations in improving their quality of service,

Noting
that the success of the quality of service programs carried out by the Quality of Service Unit depend on limited resources,

Aware
that the Global Monitoring System, and new quality of service programs regarding parcels, will require significant resources to plan, implement and maintain,

Taking into account
that the current quality of service programs cover a wide range of projects that include continuous testing, sequential testing, consultancy missions, quality certification and pilot projects,

Informed
that available data show that countries do not take full advantage of the performance results provided by the International Bureau regarding end-to-end quality of service measurement,

Considering
that by far the most important objective in the Nairobi Postal Strategy is “enhancing quality of service and efficiency of the postal network”,

Convinced
that successful implementation and management of the Global Monitoring System will require urgent prioritization of available resources,

Recognizing
that the capabilities of the Global Monitoring System may replace those of current quality of service testing programs,

Instructs

the International Bureau:

- to issue a survey to seek the views of postal administrations about whether the current quality of service programs managed by the International Bureau meet their needs and which programs are most beneficial;

- to make recommendations to the 2009 Postal Operations Council, based on the results of the survey, about which quality of service programs should be maintained and how those to be maintained should be prioritized.

Reasons. – Given the growing competition in the postal sector, postal administrations increasingly focus their efforts on improving their quality of service. As this trend continues, considerable pressure will be brought to bear on the quality of service programs managed by the International Bureau so that postal administrations can benefit from these programs. It is expected that the Global Monitoring System currently under development has the potential to replace the current continuous testing and sequential testing programs with an affordable and more accurate alternative. It is therefore important that the limited resources available are allocated to maximize effectiveness.

Proposal 4

[Proposal withdrawn]

UNITED STATES OF AMERICA

Resolution C __/2008

Expanded use of electronic data interchange (EDI)

Congress,

Bearing in mind
that expeditious customs clearance of postal items is essential to the overall quality of international postal services,

Taking into account
that the submission of information about postal shipments in electronic form to customs authorities in advance of shipment can significantly accelerate the clearance of postal items,

Conscious
that recent changes in national legislation, policies and customs regulations adopted by governments call upon postal administrations of origin and destination to transmit data on inbound and outbound international postal items, for the purposes of customs clearance, in advance of receipt or dispatch of the items,

Aware
that governments of many UPU member countries are liberalizing their postal markets for which common customs clearance procedures for all operators will become increasingly necessary,

Noting
that regulators, particularly in certain regions, have already adopted or are developing policies that would grant authority to multiple operators to provide postal services simultaneously within a single national market,

Acknowledging
that in liberalized markets, postal administrations will have an ever greater need to collaborate with, and use the services of, private sector commercial operators for the delivery of postal items,

Realizing
that expanded use of EDI messages to transmit customs data on postal items can create the conditions under which the customs clearance regulations are applied in the same manner to both postal shipments and similar shipments carried by private sector delivery firms,

Observing
that the rapid developments in technology in the postal sector apply increasing pressure on postal administrations to implement the transmission of customs data on international postal items,

Convinced

that increased use of electronic transmissions of customs information on postal items from postal administrations to customs authorities can not only become a valuable tool for combating terrorism and other threats to the security and safety of international mail exchanges but can also improve operations, reduce administrative costs and facilitate assessment procedures,

Mindful

of the close cooperation between the UPU and the World Customs Organization to align the import and export of mail with the guidelines outlined in the Framework of Standards to Secure and Facilitate Global Trade,

Pleased

that the Postal Operations Council, through the work of the EMS Cooperative, Parcels Group, Telematics Cooperative and Postal Security Action Group, has developed, deployed and promoted applications and actions to expand the transmission of data concerning international mail exchanges,

Understanding

that postal administrations have disparate levels of resources, expertise, hardware, and manpower with respect to implementing electronic customs manifesting,

Instructs

the Postal Operations Council to:

- develop and maintain standards for UPU-Customs EDI messaging, through the Standards Board, in cooperation with the World Customs Organization,
- promote, in cooperation with the World Customs Organization, the use of EDI transmissions among postal administrations and from postal administrations to local customs authorities for the clearance of postal items,
- draw up a plan with deadlines for the implementation of transmission of EDI customs messages on postal items in a phased-in manner, starting with required transmissions by developed countries by a date or dates to be determined after appropriate study.

Reasons. – As more administrations employ electronic manifesting, it has become clear that such methods enhance the efficiency and speed of customs clearance, a critical stage in the international mail supply chain. At the same time, it is apparent that commercial mailers are in many cases more prepared to understand and comply with new customs requirements than individual or other small mailers. In addition, some postal administrations, especially in developing countries, are not currently situated to employ the resources necessary for electronic or other item-level manifesting. The Postal Operations Council should consider these and any other relevant factors in creating Regulations for uniform customs information standards. While uniformity is the ultimate objective, these Regulations should take a phased approach, in light of technological disparities among postal administrations, including among those already using electronic manifesting methods, and the need for those administrations to pursue appropriate implementation measures at a national level. While implementation of operational procedures related to the electronic exchange of item-level customs data may require initial investments, it is expected that these investments will ultimately be outweighed by the benefits of more efficient customs processing and greater security in the international mail network supply chain.

Proposal 6

General Regulations – Proposal

Article 102

Composition, functioning and meetings of the Council of Administration
(Constitution 17)

UNITED STATES OF AMERICA

Add the following new paragraph 6.13bis:

6.13bis to authorize the creation of voluntarily funded groups:

Reasons. – This amendment grants authority to the Council of Administration to approve the establishment of voluntarily funded groups as defined by proposed Article 131bis. The Seoul Congress urged the Council of Administration to “explore new avenues for financing the diversification and development of the Union’s activities” in resolution C 96/1994. This was out of an understanding that the Union’s operating budget, which is subject to the limits of zero nominal growth, cannot fully support all of the activities necessary to achieving the mission of the Union.

In the past, Congress authorized the Postal Operations Council to establish among cooperating postal administrations the Telematics Cooperative, the EMS Cooperative, and the UPU Clearing User Group through resolutions. This amendment to the functions of the Council of Administration would give authority to the Council to approve the establishment of similar organizations which fund all of their own activities, except as otherwise directed by Congress. Providing authority through the General Regulations to the Council of Administration to approve voluntarily funded groups allows the Council of Administration flexibility to advance the objectives of the Union between Congresses.

Related proposals: (7-11)

Proposal 7

General Regulations – Proposal

Article 104

Composition, functioning and meetings of the Postal Operations Council
(Constitution 18)

UNITED STATES OF AMERICA

Add the following new paragraph 9.18bis:

9.18bis to authorize the creation of voluntarily funded groups;

Reasons. – This amendment grants authority to the Postal Operations Council to approve the establishment of voluntarily funded groups as defined by proposed Article 131bis. The Seoul Congress urged the Postal Operations Council to “explore new avenues for financing the diversification and development of the Union’s activities” in resolution C 96/1994. This was out of an understanding that the Union’s operating budget, which is subject to the limits of zero nominal growth, cannot fully support all of the activities necessary to achieving the mission of the Union.

In the past, Congress authorized the Postal Operations Council to establish among cooperating postal administrations the Telematics Cooperative, the EMS Cooperative, and the UPU Clearing User Group through resolutions. This amendment to the Postal Operations Council’s functions would give authority to the Postal Operations Council to approve the establishment of similar organizations which fund all of their own activities, except as otherwise directed by Congress. Providing authority through the General Regulations to the Postal Operations Council to approve voluntarily funded groups allows the Postal Operations Council flexibility to advance the objectives of the Union between Congresses.

Related proposals (6) and (8 – 11)

Proposal 8

General Regulations – Proposal

Article 112

Duties of the Director-General

UNITED STATES OF AMERICA

Add the following new paragraph 2.13bis:

2.13bis to execute contracts at the request of and on behalf of the voluntarily funded groups for advancement of their activities to further the objectives of the Union.

Reasons. – This amendment gives effect to the approval of voluntarily funded groups as defined by proposed Article 131bis and established by cooperating postal administrations. Currently, the cooperatives and user groups under the Postal Operations Council have no legal status and cannot, therefore, execute contracts to carry out independently the activities with which they have been approved by Congress to undertake on behalf of the Union. The Director-General already performs this service for the cooperatives and user groups.

This amendment clarifies the Director-General's authority to execute such contracts and eliminates the need for Congress to provide such authority with the approval of each voluntarily funded group to be established in the future.

Related proposals: (6-7) and (9-11)

Proposal 9

General Regulations – Proposal

Article 112

Duties of the Director-General

UNITED STATES OF AMERICA

Add the following new paragraph 2.13ter:

2.13ter to appoint, after consultation with the voluntarily funded group concerned as provided in its rules, the individuals who shall perform the work for the voluntarily funded group.

Reasons. – This amendment gives effect to the approval of voluntarily funded groups as defined by proposed Article 131bis and established by cooperating postal administrations. It clarifies the relationship of the Director-General and the members of the voluntarily funded groups with regard to the individuals who shall perform the work of the organizations. The Director-General has administrative responsibility for the International Bureau, including filling posts and promoting individuals in accordance with the General Regulations and the Staff Regulations of the International Bureau.

This amendment does not affect the Director-General's authority with regard to the IB staff required and funded by all member countries of the Union. It acknowledges that with voluntarily funded groups, the participating postal administrations have a particular interest and need for confidence in the individuals who will be selected to perform the work which their additional voluntary contributions support. In this regard, the Director-General would consult with the voluntarily funded group in accordance with the rules of the organization that allow the participating postal administrations input in the selection of key individuals to perform the group's work.

Related proposals: (6-8) and (10-11)

Proposal 10

General Regulations – Proposal

Article 128

Fixing and regulation of the expenditure of the Union (Const. 21)

UNITED STATES OF AMERICA

Paragraph 1. Amend as follows:

1 Except as provided for by Article 131bis and subject to the provisions of paragraphs 2 to 6, the annual expenditure relating to the activities of bodies of the Union may not exceed the following sums for 2005 and subsequent years: 37,000,000 Swiss francs for the years 2005 to 2008. The basic limit for 2008 shall also apply to the following years in case the Congress scheduled for 2008 is postponed.

Reasons. – This amendment acknowledges that the funds associated with voluntarily funded groups established under proposed Article 131bis by the Congress, the Council of Administration or the Postal Operations Council are not a part of the Union finances supported by member country contributions. As additional voluntary contributions of postal administrations, they are not subject to the limitation of zero nominal growth.

If by their own agreement and with the approval of Congress, the Council of Administration or the Postal Operations Council, postal administrations deem the expenditure of additional voluntary contributions to be justified by activities necessary to advance the mission and objectives of the Union, they should be able to make those expenditures under the auspices of the Union. This is consistent with the Seoul Congress' urging of the Council of Administration and the Postal Operations Council to "explore new avenues for financing the diversification and development of the Union's activities" in resolution C 96/1994.

Related proposals: (6-9 and 11)

Article 131bis

Voluntarily funded groups

UNITED STATES OF AMERICA

Create the following new article 131bis:

Article 131bis

Voluntarily funded groups

1 Subject to the approval of Congress, the Council of Administration or the Postal Operations Council, postal administrations may cooperatively establish voluntarily funded groups to further the objectives of the Union.

2 The voluntarily funded groups shall set forth rules of self-governance by agreement among themselves.

3 Except as otherwise determined by Congress, the participating postal administrations shall be responsible for the funding of the activities carried out by a voluntarily funded group.

4 The rules established by the voluntarily funded groups shall include provisions for directing the expenditure of their funds and for transparency in its accounts, which shall be subject to audit by the Council of Administration.

Reasons. – The Seoul Congress noted that “adherence of the principle of ‘zero real growth’ in the Union’s budget has helped maintain strong budgetary discipline and has limited the financial burden on member countries” in resolution C 96/1994. In that same resolution, Congress urged the Council of Administration and the Postal Operations Council to “explore new avenues for financing the diversification and development of the Union’s activities.” Since that time, the successful efforts of cooperatives, such as the Express Mail Service (EMS) Cooperative and the Telematics Cooperative, have advanced the mission of the Union, even as the Union’s budget has been further limited to a policy of zero nominal growth.

The voluntary efforts and funding of postal administrations with the commitment and resources necessary to address specific issues that pose impediments to the progress of the Union as a whole should be formally supported and incorporated into the structure of the Union. This new Article provides a framework for establishing voluntarily funded groups. Requiring approval of the establishment of such an organization by Congress, the Council of Administration or the Postal Operations Council ensures that the efforts of the interested postal administrations will be in alignment with the mission of the Union. In the formational document, Congress, the Council of Administration or the Postal Operations Council will be able to determine the scope of authority of the voluntarily funded group and instruct them in conformity with the strategic plan, program and budget of the Union. Audits by the Council of Administration will ensure

that the ongoing activities of the voluntarily funded groups continue to function in accordance with those instructions.

The ability of these groups to establish their own rules of governance, subject to the limits set by the Congress, the Council of Administration or the Postal Operations Council, is essential to their efficient operation and to the commitment of the postal administrations that form their membership. Because the funds to support their efforts are substantially provided by the participating postal administrations, they should be allowed to agree among themselves the rules of governance for their organization and how to prioritize the expenditure of their funds. To protect the interests of the participants in the groups and the interests of the Union, the Council of Administration will have authority to audit the accounts of the organizations, which must be transparent to financial review.

The entire membership of the Union benefits from the additional voluntary contributions made by cooperating postal administrations in organizations such as the EMS Cooperative and the Telematics Cooperative. Formalizing the establishment of such organizations and ensuring their self-governance will encourage postal administrations to form additional organizations to address common matters of concern that are priorities of the Union, but which may not be able to be included within the fixed operating budget of the Union.

Related proposals: (6-10)

Proposal 12

Convention – Proposal

Article 15

Items not admitted. Prohibitions

UNITED STATES OF AMERICA

Paragraph 5. Insertion of correspondence in parcels. Amend as follows:

5.1 the insertion of the articles mentioned below shall be prohibited in postal parcels:

5.1.1 documents having the character of current and personal correspondence exchanged between persons other than the sender and the addressee or persons living with them;

5.1.2 current correspondence of any kind exchanged between persons other than the sender and the addressee or persons living with them.

Reasons. – The current prohibition against enclosing correspondence in parcels is an inconvenience to customers. Many individuals sending merchandise, in particular gifts, to others would like to enclose with the merchandise some greeting or note of congratulations for a special occasion and are not aware of the prohibition. The same is true for businesses which would like to enclose a brief note of gratitude for the customer's business or some other business related correspondence such as a personalized advertisement. Moreover, some types of correspondence such as invoices or statements of account that can be viewed as current and personal correspondence may be required by other regulations to be included with parcels. There is no longer a sound business reason to prevent such incidental enclosures.

In addition, businesses frequently would like to use parcels to transmit documents having the character of correspondence from one location to another. In particular, records or files may contain a variety of non-current correspondence, some of which are not between the sender and the addressee or persons living with them. Such documents should be permitted in parcels when that is the most effective way for customers to ship them.

UNITED STATES OF AMERICA

Add the following new Article RL 131bis:

RL 131 bis

Conditions of acceptance and marking of items requiring presentation to customs

Letter post items with contents that require a CN 22 or CN 23 Customs declaration shall also include a unique item identifier conforming to Standard S 10, Identification of postal items: Part C: 13 character identifier for special letter products. This item identifier and barcode may be incorporated into the design of forms CN 22 or CN 23 or may be applied as an item identifier separate from the forms.

Reasons. - Currently, many letter post items with contents requiring the item be made available for customs inspection do not possess any item identifier. Also, the customs declarations of these items do not have any identifier or barcode associated with the customs declaration information.

The use of an identifier on either the letter post item or form CN 22 or CN 23 affixed to the item will enable administrations to better correlate the letter post item with the customs declaration affixed to the item. The ability to correlate an item identifier to its customs declaration information will allow posts to exchange electronic customs information on items requiring presentation to customs or transmission of electronic customs pre-advice.

Article RL 169

Mails

UNITED STATES OF AMERICA

Paragraphs 3 through 6. Amend as follows:

3 The exchange of mails shall be carried out by offices called “offices of exchange”. Wherever an office of exchange needs to be specified on a postal form, this shall be done in accordance with the rules set out in UPU Technical Standard S34 (Identification/codification of International Mail Processing Centres (IMPCs)). This encompasses:

3.1 the name of the office of exchange;

3.2 the name of the administration responsible for the office of exchange;

3.3 /../ the S34 IMPC code identifying the office of exchange;

3.3.1 The IMPC code shall, at a minimum, be constructed using common code sets for the unique identification of each office of exchange by:

3.3.1.1 directly identifying the administration responsible for the office in the code;

3.3.1.2 providing a representation of the physical location of the office; and

3.3.1.3 including a means to allow for flexibility for current and future requirements.

4 All offices of exchange shall be registered in the International Mail Processing Centre code list by the /../ administration responsible for that office, with physical address and contact information relating to each site. This list is published on the UPU website.

5 On any form, including dispatch, accounting, and statistical forms, an office of exchange shall be identified by /../the name of the administration responsible for the dispatch, together with the name of the office of exchange and IMPC code, as published in the above-mentioned code list.

6 Delete.

Reasons. – Including the IMPC code on all forms, and clearly identifying the administration responsible for the IMPC is essential for the receiving administration to provide inward delivery services, to seek timely remuneration, and for transport service providers to bill the proper parties.

Receiving administrations continue to have problems with identifying mail flows from extraterritorial offices of exchange (ETOE) and seeking payment from the wrong administration or operator. Similarly, airlines are seeking payment from administrations

not involved in specific transactions. For countries with ETOEs within their borders, considerable effort, cost, and delays are also expended in responding to erroneous bills. Although all IMPC codes should be registered with the UPU and should allow eventual reference to the actual dispatching administration, such registration does not always occur, and errors continue to be made based on faulty assumptions.

Having a standard, easily recognized method to quickly associate dispatches and documents with appropriate responsible parties directly without requiring extensive database reference is necessary for efficient processing of the mails and accurate accounting.

Proposal 15

Letter Post Regulations – Proposal

Article RL 174

Letter Bills

UNITED STATES OF AMERICA

Add the following new paragraph 5bis:

5bis Administrations may agree to exchange letter bills or letter bill data via electronic means; in this case, they may decide that the dispatches they exchange do not need to be accompanied by a physical CN 31 letter bill.

Reasons. – Administrations that exchange CN 31 information by electronic means should not need to expend extra resources to provide a duplicate of the information already electronically transmitted to the appropriate parties. The barcoded labels on the dispatch will serve as identification for retrieving the records already recorded electronically.

Related proposal: (27)

Article RL 175

Transmission of registered items

UNITED STATES OF AMERICA

Add the following new paragraph 6bis:

6bis Administrations dispatching more than 100,000 registered items per year to an administration of destination shall dispatch all registered items to the administration of destination under a separate registered mail dispatch series.

Reasons. – The requirement for administrations that are large senders of registered items to separately dispatch registered items in a pure stream will improve operational handling of non-registered items that are now commingled with registered items, and will facilitate data collection for terminal dues purposes. Registered items would be dispatched under a separate dispatch series and, for barcoding and PREDES purposes, using the registered mail subclass code (i.e., UR).

Registered items are processed separately from ordinary letter-post items for security reasons. Receptacles that are indicated in the receptacle barcode or on the receptacle label as containing registered items are routed to a secure area that may not be near the ordinary mail processing area. If registered items and ordinary letter-post items are commingled, the processing of ordinary letter-post items can be delayed by the additional processing required for registered items.

The separate location and secured area can also create difficulties in data collection for terminal dues purposes. The pure streaming of registered items in their own dispatch series would make the sampling of registered items unnecessary. When registered items are commingled with non-registered items in a dispatch, the dispatch documents provide the exact number of registered items but not the weight. However, when registered items are dispatched separately under a different dispatch series, the dispatch documents provide the exact number of registered items and weight. The total number and weight of registered items can be added to the non-registered sample stream estimates to obtain an overall number of items per kilogram, or registered items can be settled separately from ordinary letter-post.

Article RL 185

Use of barcodes

UNITED STATES OF AMERICA

Add the following new paragraph 2bis:

2bis Administrations may enhance the existing basic code options of 0/1/9 for Position 25, as an alternative to Code List 161, Aggregate mailstream segregation codes. Changes are shown in underline:

- | | |
|---|---|
| 0 | Registered/insured/ <u>IBRS items</u> not present |
| 1 | Registered/insured/ <u>IBRS items</u> present |
| 2 | <u>Letter tray – ordinary items/IPC letter tray with format P</u> |
| 3 | <u>Flat tub – ordinary items/IPC letter tray with format G</u> |
| 4 | <u>Bag – ordinary items</u> |
| 5 | <u>Outside – ordinary item</u> |
| 6 | <u>Bulk container – ordinary items</u> |
| 7 | <u>M-bag</u> |
| 8 | <u>Exempt</u> |
| 9 | Contents unknown |

Reasons. – The UPU Standards Board developed a complex series of code combinations for Positions 24 and 25 (see Code List 161 in the UPU Standards Manual). For administrations that do not need this level of complexity, the above coding structure enhances the basic codes of 0/1/9 currently being used by most administrations. Code 161 is implemented by bilateral agreement. Administrations may continue to use 0/1/9 or implement the enhanced basic codes unilaterally.

Options 0/1/9 are not changed, except to add the presence or not of IBRS in options 0/1. IBRS, registered, and insured items are accountable items. Codes 2-6 indicate receptacle type. Codes 7 and 8 indicate M-bag and exempt receptacles which are not subject to terminal dues rates (i.e., M-bags incur a separate delivery rate).

Although there are subclass codes and other PREDES indicators for receptacle type, IBRS, M-bag, and exempt items, a barcode indicator in Position 25 would limit the number of additional dispatch series that would need to be created (e.g., UD, UI, UM, UR), and not all administrations send and receive PREDES messages for all streams. The barcode indicator would allow receipt systems to capture essential information via barcode scanning without additional data entry or links to PREDES data. The barcode indicator would assist the receiving administration with:

- routing receptacles for processing;
- monitoring the amount of equipment by type received and dispatched;

- avoiding the inefficient use of a new dispatch series for registered, insured, IBRS, M-bags, or exempt items when the volumes are low;
- allocating the reported weight of a receptacle to the proper payment category for settlement purposes for those administrations not using PREDES;
- supporting the *Alternative approach for statistical counts between countries in the target system* (Article RL 223), which improves precision and reduces sampling costs;
- selecting receptacles by type for automated sample selection, while excluding M-bags and exempt receptacles.

Article RL 185

Use of barcodes

UNITED STATES OF AMERICA

Add the following new paragraph 2ter:

2ter Administrations that send more than 100 tonnes of letter-post mail per year on a specific flow, or that settle terminal dues based upon individual mail flow estimates, shall use the UPU-standard S 9 receptacle identifier on all postal receptacles (including air, S.A.L., and surface receptacles) and shall transmit:

2ter.1 UPU-standard electronic pre-advice messages for all outbound dispatches, including the S9 identifier, the receptacle type using UPU-standard receptacle codes and, where applicable, item identifiers for registered, insured and recorded delivery items compliant with UPU standards S10c (Identification of postal items – Part C: 13-character identifiers for special letter products), as published in the UPU Technical Standards;

2ter.2 UPU-standard electronic confirmation messages for reporting receipt of inbound dispatches that have been electronically pre-advised to them, including the receptacle type using UPU-standard receptacle codes.

2quater The volume threshold in 2ter shall be reduced to 75 tonnes in 2011; 50 tonnes in 2012; and 25 tonnes in 2013.

Reasons. – The location of this existing provision of the regulations is more appropriate in this section rather than in its current location in Article RL 214.6 that deals with terminal dues (Article RL 214 - Calculation of the rates of terminal dues applicable to countries in the target system).

The use of the 29-character UPU barcode on receptacles provides an opportunity for receiving administrations to utilize automated registration systems and to improve communication between administrations. The use of barcodes accelerates the time required to process inbound weight data and, hence, the overall terminal dues settlement process.

EDI provides advance notification to receiving administrations about the volume of inbound mail. The combination of the EDI message and scanning of inbound receptacles also provides receipt confirmation through the RESDES message. These requirements impact large volume administrations only. This automated approach greatly reduces the paperwork involved for receiving administrations, as well as for dispatching administrations. IPS (International Postal System) and IPS Light, both of which are widely deployed in over 128 postal administrations, provides this capability to administrations currently lacking the ability to meet these requirements. Both systems are available to administrations through Quality of Service Fund initiatives.

Given the availability and low cost to smaller administrations of IPS Light, which has the capability of producing barcodes and sending EDI transmissions, the threshold for this requirement may be reduced to include lower volume administrations. Advance notification to receiving administrations also provides information needed by customs authorities to facilitate clearance of mail and meet the growing supply-chain security requirements.

Related proposal: (21)

Proposal 19

Letter Post Regulations – Proposal

Article RL 187

Transshipment of airmails and of surface airlifted (S.A.L.) mails

UNITED STATES OF AMERICA

Paragraph 3. Amend as follows:

3 In the cases referred to under 1 and where the administrations of origin and of destination and the airline concerned agree in advance, the airline making the transshipment may prepare, if necessary, a special delivery bill to replace the original CN 38 or CN 41 bill. The parties concerned shall mutually agree on the relevant procedures and form in conformance with RL 191, Preparation and checking of CN 37, CN 38 or CN 41 delivery bills. The bags of mails should preferably be provided with a CN42 label, in addition to the labels provided for the conveyance of airmail.

Reasons. – When mail transits or transfers in an intermediary country, it frequently loses the original dispatch identifiers that were established by the origin country. Consequently, when an air carrier submits a claim for transit charges or onward air conveyance to the origin administration, there are many instances when that administration cannot confirm that the receptacles in question were actually in dispatches sent by that origin administration. When administrations and carriers do not accurately complete these delivery bill forms, it becomes extremely difficult to settle these charges. This problem has been compounded with the growth of extraterritorial offices of exchange.

Article RL 191

Preparation and checking of CN 37, CN 38 or CN 41 delivery bills

UNITED STATES OF AMERICA

Paragraph 1. Amend as follows:

1 The delivery bills shall be completed, in accordance with their layout, on the basis of the particulars appearing on the bag labels or with the address. The total number and total weight of the bags and items in each mail shall be entered in bulk by category. Administrations of origin may elect to enter each bag individually should they wish to do so. However, any intermediate or transit country must list each transit receptacle individually, maintaining the administration of origin, office of destination dispatch, and receptacle number indicated by the administration of origin. The six character IMPC code identifying the origin and destination of the receptacle should be recorded in columns 2 and 3 respectively. The number and weight of bags bearing red labels shall be shown separately: they shall be indicated by an “R” in the Observations” column of the delivery bill. If the weights entered include those of mail exempted from transit charges and terminal dues, the Observations column shall be used to enter, by category, the weight to be deducted.

Reasons. – When mail transits or transfers in an intermediary country, it quite often loses the original dispatch identifiers that were established by the origin country. Consequently, when an air carrier submits a claim for transit charges or onward air conveyance to the origin administration, there are many instances when that administration cannot confirm that the receptacles in question were actually from its dispatch. When administrations and carriers do not accurately complete these delivery bill forms, it becomes extremely difficult to settle these charges. This problem has been compounded with the growth of extraterritorial offices of exchange.

These procedures would ensure that mail transiting or transferred through an intermediary country would retain sufficient identifying documentation to allow origin administrations to settle accounts accurately.

Proposal 21

Letter Post Regulations – Proposal

Article RL 214.6

Calculation of the rates of terminal dues applicable to countries in the target system

UNITED STATES OF AMERICA

Delete paragraph 6.

Reasons. – The location of this provision in this section of the Letter Post Regulations is more appropriate in Article RL 185 – Use of Barcodes

Related proposal: (18)

Proposal 22

Letter Post Regulations – Proposal

Article RL 225

Preparation, transmission and acceptance of CN 53 and CN 54 bills for exchanges of mail between countries in the target system

UNITED STATES OF AMERICA

Paragraph 1.1. Amend as follows:

For statistical counts for exchanges of mail between countries in the target system in accordance with articles RL 222 and 223, the office of exchange of the receiving administration shall enter, for each receptacle that is sampled, the receptacle type, the number and weight of items that it contains, the related number of items per kilogram (IPK), and the receptacle barcode on a CN 53 bill. Separate CN 53 bills shall be prepared for each transportation mode (air, S.A.L., surface) and receptacle type.

Reasons. – The CN 53 bill provides the receptacle level data as part of the sampling process. The CN 53 bill was previously modified to include the receptacle type and barcode. This now seeks the addition of the number of items per kilogramme (IPK). This modification provides the text related to the existing and proposed changes to the CN 53 bill.

Prot Article RL XIX

Submission and acceptance of CN 55, CN 66 and CN 67 statements, CN 51 detailed accounts and CN 52 general accounts

UNITED STATES OF AMERICA

Add the following new paragraph 1bis:

1bis The United States of America shall not consider accounts submitted to be accepted nor shall payment be due, unless the accounts documentation and forms clearly identify the origin and destination offices using the UPU standard 6 character IMPC codes of the origin and destination offices of exchange, and in the case of transit services rendered, also include the original dispatch and receptacle numbers.

Reasons. – Accurate settlement of postal accounts has become extremely difficult as a result of the growth of Extraterritorial Offices of Exchange, and increasing instances of inaccurate completion of accounting forms by postal administrations and transportation carriers. If the accounting forms do not clearly identify the origin and destination offices with the appropriate IMPC codes, some operators risk heavy financial responsibility and incur significant costs for dispatches that were sent by other operators.

Article RC 116

Delivery procedure

UNITED STATES OF AMERICA

Paragraph 2. Amend as follows:

2 When delivering or handing over an ordinary parcel, the delivering administration shall obtain from the recipient a signature of acceptance or some other form of evidence of receipt that is legally binding under the legislation of the country of destination to confirm acceptance, or provide electronic evidence of delivery.

Reasons. – Administrations are subject to liability or indemnity for ordinary and insured parcels; consequently, similar delivery methods are applied to both. The timely delivery of ordinary and insured parcels to the recipient in good condition is essential. The sender benefits from the availability of information showing that the parcel was delivered to the addressee.

Presently, many parcels are delayed waiting for the addressee to physically receive the parcel at a convenient time as they must physically sign for the parcel. In many administrations, alternative approaches have been developed to help addressees receive their parcels expeditiously and outside normal business hours. This is in response to customer demand for convenient options to physically receive a parcel either at their addresses or local post offices during normal business hours.

This proposal offers administrations options to meet customer requirements, while still maintaining the indemnity or liability provided with the service. This proposal does not seek to change the indemnity or the liability associated with the parcel, but it does seek to release the time and costs with capturing a physical signature in administrations which have developed acceptable alternatives for similar parcels in their domestic network.

Proposal 25

Parcel Post Regulations – Proposal

Article RC 130

Consignment Service

UNITED STATES OF AMERICA

Paragraph 3. Amend as follows:

3 The details of this service shall be laid down bilaterally between the administration of origin and the administration of destination on the basis of provisions defined by the Postal Operations Council. The administration of destination may require that customs information concerning “Consignment” service items shall be transmitted electronically.

Reasons. – Consignment shippers usually have information on the details of the consignments in electronic format and consequently can make this available to the administration of origin to assist in customs clearance procedures. Upon receipt of electronic customs information, the administration of origin should then transmit it to the administration of destination, so that the administration of destination can submit to its customs authorities the information needed to conduct a secure and efficient handling of the relevant consignments. Electronic transmission of consignment information not only improves the security and efficiency of the customs clearance process, it also results in more expeditious customs clearance and better quality of service for the customer. The ability to require electronic customs information will also enable some postal administrations to comply with applicable customs requirements or national legislation that mandate the electronic provision of such information.

Article RC 160

Use of barcodes

UNITED STATES OF AMERICA

Paragraph 17. Amend as follows:

17 Administrations that send more than 100 tonnes of parcels per year shall, and all other administrations are encouraged to:

17.1 Identify receptacles using UPU-standard S 9 receptacle content identifiers;

17.2 Include the S 9 identifier on the receptacle label in accordance with S 29;

17.3 Electronically pre-advise all outbound dispatches using UPU-standard compliant messages specifying the S 9 identifiers of the receptacles contained in each dispatch;

17.4 Electronically confirm receipt of inbound receptacles that have been preadvised, using UPU-standard compliant response and/or event reporting messages.

17.5 The volume requirements shall have yearly incremental reductions to allow all administrations to comply with these standards. The volume will be reduced to 75 tonnes of parcels per year beginning in 2011; 50 tonnes of parcels beginning in 2012; and 25 tonnes of parcels beginning in 2013.

Reasons. – At present, a large number of administrations use barcodes on receptacle labels when dispatching parcels to other administrations. Moving forward with requiring that all receptacles have a barcoded label attached in some fashion will allow tracking of mail between offices of exchange and a planning process for volumes being consigned.

This proposal will allow administrations to comply with the standards over the course of several years based on their parcel volumes. This will also allow the UPU the time and resources to assist administrations in their efforts to meet these requirements.

Proposal 27

Parcel Post Regulations – Proposal

Article RC 166

Parcel Bills

UNITED STATES OF AMERICA

Add the following new paragraph 4bis:

4bis Administrations may agree to exchange parcel bills or parcel bill data via electronic means. In this case, they may decide that the dispatches they exchange do not need to be accompanied by a CP 87 parcel bill.

Reasons. – Administrations that exchange CP 87 information by electronic means should not need to expend extra resources to provide a duplicate of the information already electronically transmitted to the appropriate parties. The barcoded labels on the dispatch will serve as identification for retrieving the records already recorded electronically.

Related proposal: (15)

Proposal 28

Parcel Post Regulations – Proposal

Article RC 198

Allocation and recovery of rates, charges and fees in the case of return to sender or redirection

UNITED STATES OF AMERICA

Add the following new paragraph 2bis:

2bis The rates, charges and fees referred to in paragraph 2 shall be subject to the following limitations.

2bis.1 The return charge recorded on the CP 77 Statement of charges shall not exceed the inward land rates originally paid to the returning /original destination country.

2bis.2 The redirection charge recorded on the CP 77 Statement of charges shall not exceed the inward land rates payable by the redirecting country to the destination country.

2bis.3 Any Non-postal fees recorded on the CP 77 Statement of charges must be explained and may not exceed 3.27 SDR per parcel.

2bis.4 Any Miscellaneous charge recorded on the CP 77 Statement of charges must be explained and may not exceed 3.27 SDR per parcel.

Reasons. – Currently there are no limitations on what can be charged for returning or redirecting an undeliverable parcel. Both customers who have requested that their parcels be returned or redirected and origin administrations have no way of knowing what the return charge might be. Returned parcels with charges that usually exceed the postage for sending the parcel may result in non-payment since many customers refuse to pay these charges. In such cases, the origin administration has incurred the costs and can not collect the charges for the return. Without any guidelines, returning administrations have no incentive to control the costs for handling returned parcels. Establishing a maximum charge will improve the likelihood of collecting the charges and will encourage administrations to control the costs and to work with partners where returns may be higher than normal.

Related proposal: (29)

Proposal 29

Parcel Post Regulations – Proposal

Form CP 77

Statement of charges

UNITED STATES OF AMERICA

Amend form as follows:

Add a new line under non-postal fees and miscellaneous to explain charges:

Non-postal fees

Explanation: .

Miscellaneous

Explanation: .

Reasons. – Currently there are no limitations on what can be charged for returning or redirecting an undeliverable parcel. Both customers who have requested that their parcels be returned or redirected and origin administrations have no way of knowing what the return charge might be. Returned parcels with charges that usually exceed the postage for sending the parcel may result in non-payment since many customers refuse to pay these charges. In such cases, the origin administration has incurred the costs and can not collect the charges for the return. Without any guidelines, returning administrations have no incentive to control the costs for handling returned parcels. Establishing a maximum charge will improve the likelihood of collecting the charges and will encourage administrations to control the costs and to work with partners where returns may be higher than normal.

Related proposal: (28)